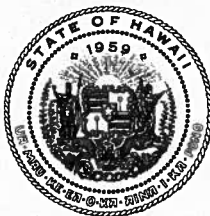


NEIL ABERCROMBIE
GOVERNOR OF HAWAII



STATE OF HAWAII
DEPARTMENT OF LAND AND NATURAL RESOURCES
Office of Conservation and Coastal Lands
POST OFFICE BOX 621
HONOLULU, HAWAII 96809

WILLIAM J. AILA, JR.
CHAIRPERSON
BOARD OF LAND AND NATURAL RESOURCES
COMMISSION ON WATER RESOURCE MANAGEMENT

JESSE K. SOUKI
FIRST DEPUTY

WILLIAM J. TAM
DEPUTY DIRECTOR - WATER

AQUATIC RESOURCES
BOATING AND OCEAN RECREATION
BUREAU OF CONVEYANCES
COMMISSION ON WATER RESOURCE MANAGEMENT
CONSERVATION AND COASTAL LANDS
CONSERVATION AND RESOURCE ENFORCEMENT
ENGINEERING
FORESTRY AND WILDLIFE
HISTORIC PRESERVATION
KAHOOLAWE ISLAND RESERVE COMMISSION
LAND
STATE PARKS

REF:OCCL:MC

CDUA OA-3719
180 Day Deadline: Dec 22, 2014

JUN 25 2014

John Corbin
Aquaculture Planning and Advocacy
47-215 Iuiu Street
Kāne'ohe, HI 96744

Dear Mr. Corbin,

**NOTICE OF ACCEPTANCE and
PRELIMINARY ENVIRONMENTAL DETERMINATION**

**Conservation District Use Application (CDUA) File No. OA-3719
(Board Permit)**

This acknowledges the receipt and acceptance for the processing of Māmala Bay Seafoods (MBS) application for an aquaculture facility in the Reef Runway Borrow Pit at Ke'ehi Lagoon, Honolulu, O'ahu, TMK (1) 1-1-003:005. The proposed site is on submerged lands in the Resource Subzone of the State Land Use Conservation District.

MBS proposes to cultivate moi (*Polydactylus sexfilis*) in a 75-acre area adjacent to the Honolulu International Airport. The Borrow Pit (BP) is a steep-sided area that was dredged in the 1970s to provide fill for the airport's reef runway. Sixty areas of the area are under control of the State Department of Transportation, while twenty acres are under the control of the Department of Land and Natural Resources.

The proposed facility will consist of an anchored grid of ten Aqualine surface cages. Each cage will be 114 square feet in diameter and have an enclosed volume of approximately 264,860 cubic feet (7500 m³). A work platform will surround the perimeter of each cage to allow technicians to access the fish. The mooring system connecting the cages will be anchored by 28 Danforth anchors.

The cage netting will be either a semi-rigid woven copper alloy mesh, a Dyneema fiber mesh, or a combination of both. The applicant has stated that these meshes have proven resistant to biofouling and breakage, which will minimize the potential for unintended environmental degradation. The cages will be covered with nets to discourage birds.

A 72-foot feed barge will also be moored on the site. Stocking, feeding, harvesting, and maintenance will be carried out by surface work boats with occasional SCUBA diver assistance. The barge will be connected near the center of the grid, with a single black feed hose running to each cage.

The BP site was selected as it has a high water exchange with the open ocean, is protected from high winds and waves, is relatively deep (45 to 50 feet), has a uniformly flat and depauperate silt bottom, minimal public use, and is close to the MBS base yard at Ke'ehi Lagoon.

MBS will be requesting that public access to the leased area be restricted, and that no transit or anchoring of water craft, snorkeling or SCUBA diving, or fishing be allowed. MBS will designate and mark a 100

foot wide transit corridor along the inner and outer boundaries. A rule change will also be requested through the Division of Boating and Recreation (DOBOR) to remove the 75-acre site from the larger State designated Thrill Craft Recreation Area.

This application focuses on the permitting for the mariculture facility itself; lease negotiations and proposed rule changes will follow as a separate process if the permit is granted.

The area has been highly disturbed, and is not known to be habitat for any protected species with the exception of the green sea turtle (*Chelonia mydas*). There are coral reefs in close proximity to the site.

MBS anticipates beginning construction within six months of lease approval. In the first phase the five easternmost cages will be deployed. MBS estimates that they can begin placing cages in January 2015, and stocking the cages by July 2015 or sooner. The second deployment of the final five cages is planned for three years after lease approval. Projected annual production at full grow out is estimated to be 1.5 M tons.

After reviewing the application, we find that:

1. The proposal is an identified land use within the Conservation District, pursuant to Hawai'i Administrative Rules (HAR) §13-5-23 *Identified land uses in the resource subzone, R-1 AQUACULTURE, (D-1) Aquaculture under a management plan, approved simultaneously with the permit*. This use requires a permit from the Board of Land and Natural Resources, who have the final authority to grant, modify, or deny any permit.

The applicant has submitted a management plan, which will be processed along with the permit application.

2. A public hearing will be required pursuant to HAR §13-5-40 *Hearings, (a) Public hearings shall be held on (1) All applications for a proposed use of land for commercial purposes*. OCCL will contact you shortly to coordinate the public hearing.
3. Pursuant to HAR §13-5-31 *Permit applications*, the permit requires that an environmental assessment be carried out. The draft environmental assessment (DEA) will be submitted to the Office of Environmental Quality Control (OEQC) for publication in the July 8, 2014 *Environmental Notice*.

The official 30-day public comment period on the DEA will run until August 7, 2014.

Should you have any questions, please contact Michael Cain at 587-0048.

Sincerely,



WILLIAM J. AILA, Chairperson
Board of Land and Natural Resources

cc: O'ahu Board Member
Kalihi-Pālana Neighborhood Board No. 15 Office of Hawaiian Affairs
County Planning
DLNR- Land Division, DOCARE, Division of Aquatic Resources, DOBOR
Department of Transportation, Airports Division
US Army Corps of Engineers
US Fish and Wildlife Service
US Coast Guard
National Marine Fisheries Service
Department of Health
Department of Agriculture, Aquaculture
NOAA – Aquaculture Coordinator